

TOWN & COUNTRY DRAINAGE DISTRICT NO. 1

Monroe, Louisiana

ANNUAL FINANCIAL REPORT DECEMBER 31, 2012

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date MAY 08 2013

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MONROE, LOUISIANA 71201-5139

TOWN & COUNTRY DRAINAGE DISTRICT NO. 1
Monroe, Louisiana

FINANCIAL REPORT
DECEMBER 31, 2012

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INDEPENDENT ACCOUNTANTS' REPORT

Board of Commissioners
Town & Country Drainage District No.1
Monroe, Louisiana

We have compiled the accompanying component unit financial statements of Town & Country Drainage District No. 1, a component unit of the Ouachita Parish Police Jury as of December 31, 2012 and for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

A statement of cash flows for the year ended December 31, 2012 has not been presented. Generally accepted accounting principles require that such a statement be presented when financial statements purport to present financial position and results of operations.

Donald, Tucker, Betts & Fuller

DONALD, TUCKER, BETTS & FULLER, A.P.A.C.

Monroe, Louisiana
March 21, 2013

TOWN & COUNTRY DRAINAGE DISTRICT NO. 1
Monroe, Louisiana

BALANCE SHEET
DECEMBER 31, 2012

	<u>GENERAL FUND</u>
ASSETS	
Cash	\$ 38,826.59
Maintenance tax receivable	8,161.75
Special assessment receivable	7,955.42
Accrued interest receivable	<u>5,261.69</u>
TOTAL ASSETS	<u>\$ 60,205.45</u>
 LIABILITIES AND FUND BALANCES	
Liabilities and deferred income:	
Deferred revenue	\$ 5,382.30
Note payable-Ann Ledoux	<u>10,000.00</u>
Total Liabilities and Deferred Income	15,382.30
Fund balances:	
Unreserved – undesignated	<u>44,823.15</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 60,205.45</u>

See accompanying notes and independent accountants' report.

TOWN & COUNTRY DRAINAGE DISTRICT NO. 1
Monroe, Louisiana

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>GENERAL FUND</u>
REVENUES	
Maintenance taxes	\$ 11,067.23
Special assessment	40,229.83
Late fees on maintenance taxes	<u>16.45</u>
TOTAL REVENUES	<u>51,313.51</u>
EXPENDITURES	
Accounting expense	675.00
Repairs and maintenance — levees and pumps	17,863.12
Other operating expense	<u>1,965.20</u>
TOTAL EXPENDITURES	<u>20,503.32</u>
Excess of revenues (expenses) over expenses (revenue)	<u>30,810.19</u>
FUND BALANCE - BEGINNING	<u>\$ 14,012.96</u>
FUND BALANCE - ENDING	<u>\$ 44,823.15</u>

See accompanying notes and independent accountants' report.

TOWN & COUNTRY DRAINAGE DISTRICT NO. 1
Monroe, Louisiana

STATEMENT OF REVENUES, EXPENDITURES
BUDGET (NON-GAAP) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budget</u>	<u>Actual on</u> <u>Budgetary Basis</u> <u>– Note 1</u>	<u>Variance –</u> <u>Favorable</u> <u>(Unfavorable)</u>
REVENUES			
Maintenance taxes	\$ 11,067.25	\$ 9,883.35	\$(1,183.90)
Special assessment	0.00	34,958.53	34,958.53
Late fees on maintenance taxes	<u>0.00</u>	<u>16.45</u>	<u>16.45</u>
TOTAL REVENUES	<u>11,067.25</u>	<u>44,858.33</u>	<u>33,791.08</u>
EXPENDITURES			
Drain ditch & culvert maintenance	3,500.00	0.00	3,500.00
Levee maintenance	3,000.00	9,650.00	(6,650.00)
Reserve for pump and motor replacement	15,000.00	8,213.12	6,786.88
Accounting expenses	700.00	675.00	25.00
Other operating expenses	<u>1,650.00</u>	<u>1,965.20</u>	<u>(315.20)</u>
TOTAL EXPENDITURES	<u>23,850.00</u>	<u>20,503.32</u>	<u>3,346.68</u>
Excess of revenues (expenses) or expenses (revenue)	<u>\$ (12,782.75)</u>	<u>\$ 24,355.01</u>	<u>\$ 37,137.76</u>

See accompanying notes and independent accountants' report.

TOWN & COUNTRY DRAINAGE DISTRICT NO. 1
Monroe, Louisiana

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town & Country Drainage District No. 1 was created with ordinance No. 7229 by the Ouachita Parish Police Jury on August 19, 1968. The ordinance was adopted under the provisions of Part I, Chapter VI, Title 38 of the Louisiana Revised Statutes of 1950, as amended. The Drainage District is a component unit of the Ouachita Parish Police Jury and is governed by a board of commissioners that is appointed by the Police Jury.

The purpose of the Drainage District is to create and maintain a system for draining and reclaiming the undrained or partially drained overflowed lands in Ouachita Parish that are specified in the Charter.

The financial statements of the Drainage District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the governmental unit's accounting policies are described below.

A. Fund Accounting

The accounts of the Drainage District are organized on a fund basis. The operations of the fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. Revenues are accounted for in the fund based upon the purpose for which spending activities are controlled. The fund presented in the financial statements was initially used to account for the cost of constructing drainage improvements in the Town & Country subdivision. Each property owner was assessed their proportionate share based on square footage. Currently, maintenance taxes are assessed the property owners as a percentage of original assessment.

B. Basis of Accounting

The Drainage District's records are maintained on a modified accrual basis of accounting utilizing the following practices in recording revenues and expenditures. Revenues are recognized when they are considered to be measurable and available. Property taxes were assessed on April 1, 2012 for 2012, and became a lien on the property when assessed. The taxes are collected throughout the year but are recognized as revenue on the assessment date.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

The Drainage District's fixed assets consist primarily of levees and canals, and management has elected not to report on "infra-structure" fixed assets, therefore, no fixed assets account group is included in the accompanying financial statements.

TOWN & COUNTRY DRAINAGE DISTRICT NO. 1
Monroe, Louisiana

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Budgets and Budgetary Accounting

The Drainage District budget for 2012 was adopted on a cash basis of accounting, which is not in accordance with GAAP, and budgetary comparisons presented in this report are on this non-GAAP budgetary basis. A reconciliation of actual and non-GAAP budgetary amounts is included in Note 2.

D. Cash Deposits with Financial Institutions

The Town and Country Drainage District's bank balances of deposits as of the balance sheet date are entirely insured by the Federal Deposit Insurance Corporation (FDIC).

NOTE 2 - RECONCILIATION OF ACTUAL TO BUDGETARY BASIS (CASH)

The accompanying statement of revenues and expenditures – Budget and Actual, presents comparisons to legally adopted budgets with actual data on a budgetary basis. Because accounting principles applied for purposes of developing data on a budgetary basis differ significantly from these used to present financial statements in conformity with GAAP, a reconciliation of resultant basis in the excess (deficiency) of revenues and other sources of financial resources over expenditures for the year ended December 31, 2012 is presented below:

December 31, 2012

Excess of revenues and other sources of financial resources over expenditures and other uses of financial resources (GAAP basis)	\$ 30,810.19
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Adjustments:

To adjust revenues for receivable	<u>(6,455.18)</u>
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Excess of expenditures and other uses of financial resources over revenues and other sources of financial resources (budgetary basis)	<u>\$ 24,355.01</u>
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NOTE 3 NOTE PAYABLE

The note payable to Ann Ledoux is unsecured, due on demand and carries an interest rate of 3.25% per annum until paid.

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